

August 5, 2003


Board of Supervisors of the
County of Fauquier, Virginia
Warrenton, Virginia

Industrial Development Authority
of the County of Fauquier, Virginia
Proposed Financing for Wakefield School, Inc.

Wakefield School, Inc. (the "School") has requested that the Industrial Development Authority of the County of Fauquier, Virginia (the "Authority") assist the School in financing and refinancing the acquisition, construction, renovation and equipping of various improvements to the School's campus at 4439 Old Tavern Road, The Plains, Virginia (the "Project") by the issuance of its revenue bonds in an amount not to exceed \$12,000,000 (the "Bonds") pursuant to the School's plan of financing.

As set forth in the resolution of the Authority attached hereto (the "Resolution"), the Authority has agreed to issue its Bonds as requested. The Authority has conducted a public hearing on the proposed financing and refinancing of the Project and has recommended that you approve the issuance of the Bonds pursuant to the School's plan of financing as required by Section 147(f) of the Internal Revenue Code of 1986, as amended, and Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code").

Attached hereto is (1) a certificate evidencing the conduct of the public hearing and the action taken by the Authority, (2) the Fiscal Impact Statement required pursuant to Virginia Code Section 15.2-4907, and (3) the form of resolution suggested by counsel to evidence your approval.



Secretary, Industrial Development Authority
of the County of Fauquier, Virginia

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the County of Fauquier, Virginia (the "Authority") certifies as follows:


1. A meeting of the Authority was duly called and held on Tuesday, August 5, 2003, at 4:00 o'clock p.m. at the offices of the Authority's counsel, Walker, Jones, Lawrence, Duggan & Savage, P.C., 31 Winchester Street, Warrenton, Virginia 20186, pursuant to proper notice given to each Director of the Authority before such meeting. The meeting was open to the public. The time of the meeting and the place at which the meeting was held provided a reasonable opportunity for persons of differing views to appear and be heard.

2. The Chairman announced the commencement of a public hearing on the application of Wakefield School, Inc. and that a notice of the hearing was published once a week for two successive weeks in a newspaper having general circulation in the County of Fauquier, Virginia (the "Notice"), with the second publication appearing not less than seven days nor more than twenty-one days prior to the hearing date. A copy of the Notice has been filed with the minutes of the Authority and is attached as Exhibit A.

3. A summary of the statements made at the public hearing is attached as Exhibit B.

4. Attached as Exhibit C is a true, correct and complete copy of a resolution (the "Resolution") adopted at such meeting of the Authority by a majority of the Directors present at such meeting. The Resolution constitutes all formal action taken by the Authority at such meeting relating to matters referred to in the Resolution. The Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on this date.

WITNESS my hand and the seal of the Authority, this 5th day of August, 2003.



Secretary, Industrial Development Authority
of the County of Fauquier, Virginia

[SEAL]

Exhibits:

- A - Copy of Certified Notice
- B - Summary of Statements
- C - Resolution

NOTICE OF PUBLIC HEARING ON PROPOSED
REVENUE BOND FINANCING BY
INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE COUNTY OF FAUQUIER, VIRGINIA

Notice is hereby given that the Industrial Development Authority of the County of Fauquier, Virginia (the "Authority"), whose address is c/o Walker, Jones, Lawrence, Duggan & Savage, P.C., 31 Winchester Street, Warrenton, Virginia 20186, will hold a public hearing on the plan of financing application of Wakefield School, Inc. (the "School"), whose address is 4439 Old Tavern Road, The Plains, Virginia 20198, requesting the Authority to issue up to \$12,000,000 of its revenue bonds, in one or more series, at one time or from time to time, to assist the School in financing and refinancing: (1) approximately \$6,575,000 of existing taxable and tax-exempt debt originally incurred to acquire, construct, renovate and equip an approximately 9,000 square foot arts building, an approximately 35,000 square foot academic building and gymnasium and an approximately 15,000 square foot academic building; (2) the acquisition, construction, renovation and equipping of Manor House renovations, driveway improvements and parking, landscaping, tennis courts, an approximately 28,000 square foot Activities Building, an approximately 14,000 square foot Science/Technology Building and/or an approximately 25,000 square foot Upper School Building; and (3) certain costs of issuance relating thereto. All facilities to be financed or refinanced with the proceeds of the revenue bonds are or will be located at the School's campus at 4439 Old Tavern Road, The Plains, Virginia 20198.

The issuance of revenue bonds as requested by the School will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the County of Fauquier, Virginia, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof will be pledged to the payment of such revenue bonds.

The public hearing, which may be continued or adjourned, will be held at 4:00 o'clock p.m. on Tuesday, August 5, 2003, before the Authority, at the offices of its counsel, Walker, Jones, Lawrence, Duggan & Savage, P.C., 31 Winchester Street, Warrenton, Virginia 20186. Any person interested in the issuance of the proposed revenue bonds or the location or nature of the proposed project may appear at the hearing and present his or her views.

Industrial Development Authority
of the County of Fauquier, Virginia

EXHIBIT A

Certificate/Affidavit of Publication



STATE OF VIRGINIA

AFFIDAVIT OF PUBLISHER
PURSUANT TO SECTION 8.01-324
OF THE 1950 CODE OF VIRGINIA
AS AMENDED

COUNTY OF FAUQUIER

Notice of Public Hearing

Ellen Emerson, being duly sworn deposes and says that the attached order of

publication was published in The Fauquier Citizen, a newspaper published in

the County of Fauquier, State of Virginia, on 7/17/03, 7/24/03,

_____, _____, _____, and that deponent is a
duly authorized agent of the publisher of said newspaper.

Ellen Emerson

Subscribed and sworn to before me this 1ST day of August, 2003.

Pha E. Kieber

Notary Public in and for the County of Fauquier, State of Virginia.

My Commission Expires September 30, 2004

[illegible]

The public hearing, which
solicits contributions and
suggestions, will be held at
4:00 o'clock P.M. on Wed-
nesday, August 6, 1963, be-
fore the Authority, at the
offices of its counsel,
Walker, Jones, Williams &
Buggan & Savage, P.C.,
31 Winchester Street,
Warrenton, Virginia 20186.
Any person interested in

the issuance of the intro-
duced advance bands of
the Federal Reserve Bank of
New York. The Board may
also issue advance bands and
advance the order views.

Legals

NOTICE OF PUBLIC HEARING ON PROPOSED REVENUE BOND FINANCING BY INDUSTRIAL DEVELOP- MENT AUTHORITY OF THE COUNTY OF FAUQUIER, VIRGINIA

Notice is hereby given that the Industrial Development Authority of the County of Fauquier, Virginia (the "Authority"), whose address is c/o Walker, Jones, Lawrence, Duggan & Savage, P.C., 31 Winchester Street, Warrenton, Virginia 20186, will hold a public hearing on the plan of financing application of Wakefield School, Inc. (the "School"), whose address is 4439 Old Tavern Road, The Plains, Virginia 20198, requesting the Authority to issue up to \$12,000,000 of its revenue bonds, in one or more series, at one time or from time to time, to assist the School in financing and refinancing: (1) approximately \$6,575,000 of existing taxable and tax-exempt debt originally incurred to acquire, construct, renovate and equip an approximately 9,000 square foot arts building, an approximately 35,000 square foot academic building and gymnasium and an approximately 15,000 square foot academic building; (2) the acquisition, construction, renovation and equipping of Manor House renovations, driveway improvements and parking, landscaping, tennis courts, an approximately 28,000 square foot Activities Building, an approximately 14,000 square foot Science/Technology Building and/or an approximately 25,000 square foot Upper School Building; and (3) certain costs of issuance relating thereto. All facilities to be financed or refinanced with the proceeds of the revenue bonds are or will be located at the School's campus at 4439 Old Tavern Road, The Plains, Virginia 20198.

The proceeds of revenue bonds issued by the Authority for the purpose of financing the acquisition, construction, renovation and equipping of the facilities described above are subject to the lien of the County of Fauquier, Virginia, and the proceeds of the bonds are not to be used for any other purpose. The Authority is not to be held liable for the payment of such revenue bonds.

The public hearing, which may be continued or adjourned, will be held at 4:00 p.m. on Tuesday, August 19, 2003, at the County Office, at the address above. Walker, Jones, Lawrence, Duggan & Savage, P.C., 31 Winchester Street, Warrenton, Virginia 20186. Any person interested in

AN 23 THE FAUQUIER CITIZEN JULY 24, 2003

EXHIBIT B TO CERTIFICATE

Summary of Statements

Representatives of Wakefield School, Inc. and McGuireWoods LLP, Bond Counsel, appeared and addressed the Authority at the public hearing in favor of the proposed revenue bond issue. No one appeared and addressed the Authority at the public hearing in opposition to the proposed revenue bond issue.

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF FAUQUIER, VIRGINIA
AUTHORIZING THE ISSUANCE OF UP TO \$12,000,000
REVENUE BONDS FOR THE PURPOSE OF
FINANCING AND REFINANCING EDUCATIONAL FACILITIES
TO BE LOCATED IN THE COUNTY OF FAUQUIER, VIRGINIA

WHEREAS, the Industrial Development Authority of the County of Fauquier, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds for the purpose of inducing nonprofit enterprises to locate in or remain in the Commonwealth of Virginia;

WHEREAS, the Authority has received a request from Wakefield School, Inc., a private, accredited and nonprofit institution of elementary and secondary education (the "School"), requesting that the Authority issue its revenue bonds to assist in refunding the existing revenue bonds (the "Prior Bonds") of the Authority previously issued for the benefit of the School and financing and refinancing the acquisition, construction, renovation and equipping of certain facilities for use as academic or administration buildings or other structures or applications customary to an elementary and secondary school campus (the "Project") located or to be located in the County of Fauquier, Virginia;

WHEREAS, such assistance will induce the School to locate and retain the Project in Virginia and benefit the inhabitants of the County of Fauquier, Virginia and the Commonwealth of Virginia, either through the increase of their commerce or through the promotion of their safety, health, welfare, convenience or prosperity;

WHEREAS, preliminary plans for the Project and the School's plan of financing have been described to the Authority and a public hearing has been held as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 15.2-4906 of the Act;

WHEREAS, the School has represented that the estimated cost of the refunding of the Prior Bonds and the financing and refinancing of the acquisition, construction, renovation and equipping of the Project and all expenses of issue will require the issuance of revenue bonds in one or more series at one time or from time to time in an aggregate principal amount not to exceed \$12,000,000;

WHEREAS, the foregoing arrangements will be reflected in the following documents, forms of which have been presented to this meeting and filed with the Authority's records: (i) the Loan Agreement, dated as of August 1, 2003 (the "Loan Agreement") between the Authority and the School; (ii) a Promissory Note (the "Note") in an original principal amount equal to the original aggregate principal amount of the Bond, to be issued by the School under the Loan Agreement; (iii) the Bond Purchase Agreement, dated as of August 1, 2003 (the "Bond Purchase Agreement") among the Authority, the School and First Virginia Bank (the "Bond Purchaser")

attaching the form of Bond; (iv) the Tax Compliance Agreement, dated as of August 1, 2003 (the "Tax Compliance Agreement") between the Authority and the School; and (v) the Deed of Trust made as of August 1, 2003 (the "Deed of Trust") among the School and the trustees named therein for the benefit of the Bond Purchaser. All of the documents listed above, except the Bond, are referred to in this resolution as the "Basic Documents;"

WHEREAS, (a) no member of the Board of Directors of the Authority is an officer or employee of the County of Fauquier, Virginia, (b) each member has, before entering upon his or her duties during his or her present term of office, taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended, and (c) at the time of their appointments and at all times thereafter, including the date hereof, all of the members of the Board of Directors of the Authority have satisfied the residency requirements of the Act; and

WHEREAS, no member of the Board of Directors of the Authority has any personal interest or business interest in the School or the proposed revenue bonds or has otherwise engaged in conduct prohibited under the Conflict of Interests Act, Chapter 31, Title 2.2 of the Code of Virginia of 1950, as amended, in connection with this resolution or any other official action of the Authority in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF FAUQUIER, VIRGINIA:

1. It is hereby found and determined that the refunding of the Prior Bonds and the financing and refinancing of the acquisition, construction, renovation and equipping of the Project will be in the public interest and will promote the commerce, safety, health, welfare, convenience or prosperity of the Commonwealth of Virginia, the County of Fauquier, Virginia and their citizens.

2. To induce the School to locate and retain the Project in the Commonwealth of Virginia, and particularly in the County of Fauquier, Virginia, the Authority hereby agrees to assist the School in refunding the Prior Bonds and financing and refinancing the acquisition, construction, renovation and equipping of the Project by undertaking the issuance of its revenue bonds, in one or more series, at one time or from time to time, pursuant to the School's plan of financing, in an amount not to exceed \$12,000,000.

3. It having been represented to the Authority that it is necessary to proceed immediately with the refunding of the Prior Bonds and the financing and refinancing of the acquisition, construction, renovation and equipping of the Project, and the planning therefor, the Authority agrees that the School may proceed with plans for the refunding of the Prior Bonds and the financing and refinancing of the Project, enter into contracts for land, construction, materials, equipment and services for the refunding of the Prior Bonds and the financing and refinancing of the Project, and take such other steps as it may deem appropriate in connection with the refunding of the Prior Bonds and the financing and refinancing of the Project, provided, however, that nothing in this resolution shall be deemed to authorize the School to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the refunding of the Prior Bonds and the financing and refinancing of the Project. The Authority agrees that the School may be reimbursed from the proceeds of the

proposed revenue bonds for all expenditures and costs so incurred by it, provided such expenditures and costs are properly reimbursable under the Act and applicable federal laws.

4. At the request of the School, the Authority approves McGuireWoods LLP, McLean, Virginia, as Bond Counsel in connection with the issuance of the proposed revenue bonds.

5. All costs and expenses in connection with the refunding of the Prior Bonds and the financing and refinancing of the acquisition, construction, renovation and equipping of the Project, including the fees and expenses of Bond Counsel and Authority Counsel, shall be paid by the School or, to the extent permitted by applicable law, from the proceeds of the proposed revenue bonds. If for any reason such bonds are not issued, it is understood that all such expenses shall be paid by the School and that the Authority shall have no responsibility therefor.

6. The issuance of revenue bonds as requested by the School will not constitute a debt or pledge of the faith and credit of the Commonwealth of Virginia or the County of Fauquier, Virginia, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof will be pledged to the payment of such revenue bonds.

7. In adopting this resolution the Authority intends to take "official action" toward the issuance of the proposed revenue bonds and to evidence its "official intent" to reimburse from the proceeds of such bonds any expenditures paid by the School to refund the Prior Bonds and finance or refinance the acquisition, construction, renovation and equipping of the Project and the planning therefor before the issuance of such bonds, all within the meaning of regulations issued by the Internal Revenue Service pursuant to Sections 103 and 141 through 150 and related sections of the Code.

8. The Bond and the Basic Documents to which the Authority is a party are approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof) as may be approved by the Chairman or the Vice Chairman of the Authority, whose approval shall be evidenced conclusively by the execution and delivery of the Bond. The maturity, interest rates and redemption provisions for the Bond shall be as set forth in the Bond Purchase Agreement. The principal amount of the Bond shall not exceed \$12,000,000.

9. The execution, delivery and performance by the Authority of the Basic Documents to which it is a party are authorized. The execution of the Bond and their delivery against payment therefor, the amount of such payment to be disbursed in accordance with the terms of the Loan Agreement, are authorized.

10. The Chairman and the Vice Chairman of the Authority are each authorized to approve the final principal amount of the Bond up to \$12,000,000, to execute on behalf of the Authority the Bond and the Basic Documents to which the Authority is a party, and, if required, the Secretary of the Authority is authorized to affix the seal of the Authority to the Bond and the Basic Documents and to attest such seal. The signatures of the Chairman or Vice Chairman and the Secretary may be by facsimile. Each officer of the Authority is authorized to execute and

deliver on behalf of the Authority such instruments, documents or certificates, and to do and perform such things and acts, as they shall deemed necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bond, the Basic Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by such officers of the Authority, are in all respects approved, ratified and confirmed.

11. The Authority determines that the issuance of the Bond in accordance with the terms of the Basic Documents and all actions of the Authority contemplated thereunder will be in furtherance of the purposes for which the Authority was organized.

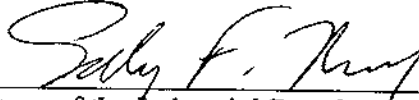
12. The Authority recommends that the Board of Supervisors of the County of Fauquier, Virginia, approve the School's plan of financing and the issuance of the Bond.

13. This resolution shall take effect immediately upon its adoption.

CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the County of Fauquier, Virginia (the "Authority") certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on August 5, 2003, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on this date.

WITNESS the following signature and seal of the Authority, this 5th day of August, 2003.



Secretary of the Industrial Development Authority
of the County of Fauquier, Virginia

[SEAL]

FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING

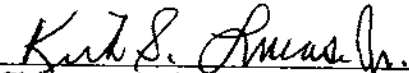
Date: August 5, 2003

To the Board of Supervisors
of the County of Fauquier, Virginia

Applicant: Wakefield School, Inc.

Facility: School Campus at 4439 Old Tavern Road, The Plains, Virginia 20198

1. Maximum amount of financing sought. \$ 12,000,000
2. Estimated taxable value of the facility's real property to be constructed in the locality. \$ N/A
3. Estimated real property tax per year using present tax rates. \$ N/A
4. Estimated personal property tax per year using present tax rates. \$ N/A
5. Estimated merchants' capital tax per year using present tax rates. \$ N/A
6. (a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality. \$ 3,150,000
(b) Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality. \$ 350,000
(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality. \$ 14,850,000
(d) Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality. \$ 1,650,000
7. Estimated number of regular employees on year round basis. 15-20 permanent; 40 temporary construction
8. Average annual salary per employee. \$ 50,000


Chairman, Industrial Development Authority
of the County of Fauquier, Virginia

At a regular meeting of the Board of Supervisors of the County of Fauquier, Virginia,
held on the 18th day of August, 2003, the following members were recorded as present:

PRESENT:

On motion by _____, seconded by
_____, the attached Resolution was adopted by a majority of the
members of the Board of Supervisors by a roll call vote, the votes being recorded as follows:

MEMBER

VOTE